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Contras assaulted by criticism – within and without

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While Congress casts a critical eye on aid for rebels fighting the Nicaraguan government, there are growing indications of a rift within the resistance movement.

Adolfo Calero, head of one wing of the rebel coalition, says contra forces have penetrated deep into Nicaraguan territory, and are meeting minimal resistance from Sandinista troops.

At a press conference Wednesday, however, he refused to confirm reports that another contra leader, Arturo Jose Cruz, is about to resign. Mr. Calero also stressed that the contras received no funds diverted from secret US arms sales to Iran, and said the rebels need more assistance from the US if they are to be successful in overthrowing the Sandinista regime.

It is a difficult time for the resistance movement. Congress is increasingly skeptical about the internal unity and degree of commitment to democracy within the contra movement.

Rivalries seem to have rent the loose coalition of resistance groups. There are unresolved questions about the sources of cash, supplies, and weapons that have been funneled to the contras in their quest to unseat the Marxist government in Managua. And the governments of Honduras and Costa Rica, which provide sanctuary to the contras, seem increasingly edgy about the arrangement.

Against this backdrop – indeed, perhaps because of it – Calero argues that the contras are making major gains on the battlefield.

"We have regained the initiative," he says, claiming that contras have pushed deep into

Nicaragua. Despite 50 clashes with Sandinista forces, says Calero, only about 300 rebels have been forced to turn back, while, he claims, some 200 government troops have deserted.

Over the next two months, he predicts some 15,000 contras will be in position for a major offensive.

"By the end of the year," Calero says, "we hope to have shown the Nicaraguan civilian population the vulnerability of the Sandinista regime."

But, he says, the rebels need more supplies, including ground-to-air missiles, machine guns, grenade launchers, light antitank weapons, rifles, and ammunition.

It will be an uphill battle for the Reagan administration to get continued congressional support for military aid to the contras, however.

"The analogy I would make," says a congressional source, "is rapidly spreading rust, corrosion of the policy."

"The combination of the Irangate scandal and the Cruz dissatisfaction is extremely damaging," he adds.

Opinion polls indicate that less than one-quarter of the American public supports the contra-aid effort.

Calero stresses that the contras have not received proceeds from the Iran arms sales. He says that during 1986, when the diversion of funds to the contras is alleged to have started, only about \$1 million worth of weapons was received – bought and paid for, he says, by the contras themselves.

Calero concedes that former National Security Council (NSC) staff member, Lt. Col. Oliver North helped raise funds for the contras. And he says that during 1984 and 1985, the contras did receive more than \$20 million in aid. But that was before the

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clandestine arms sales to Iran now under investigation, which occurred during mid-1985 and 1986.

At the same time, Calero denies that he was aware that millions of dollars were solicited on the contras' behalf from wealthy rulers in Brunei and Saudi Arabia.

Nor, he says, is he aware of dissatisfaction within the contras' own ranks.

He indicates the two major wings of the resistance movement, the United Nicaraguan Opposition (UNO) and the Nicaraguan Democratic Force (FDN), plan to "continue in a coalition."

He says that he hopes Mr. Cruz will not resign from the coalition, but adds, "I can only say that we will respect his position, whatever it may be."

A spokesman for Cruz, meanwhile, says there are no plans for a public announcement by Cruz on his continued participation.

Calero argues, "Our organization is not disintegrating. Our organization is increasingly stronger."

He acknowledges, however, that the contra supply network is rickety, and has

not markedly improved since the flow of US funds recently resumed.

He also denies that Cruz cannot get access to the coalition's financial records. The records will be opened for inspection, he says, and will show no funds were received from the Iran arms sales.

The Senate Intelligence Committee, in a report on its investigation into the Iran-contra affair, said it had received information that profits from the Iran arms sales were deposited in a Swiss bank account, and then transferred to a company in the Grand Cayman Islands, which then disbursed the money to the contras. But the report said this allegation was "based on sources of unknown reliability."

The report specifically named Calero as the person who controlled bank accounts in the Grand Cayman Islands and Panama. Calero says the contras have no account in the Grand Cayman Islands. He says that the resistance movement does have an account in Panama, but denies that funds from the Iran arms sales were placed in it.

The Senate Intelligence Committee report notes that a CIA officer overseeing contra finances also reported "no unusual infusion of funds" to the resistance movement in 1986.